

President and  
Chief Executive Officer

171 Monument Circle

Indianapolis, IN 46204-4903

Tel 317 488-8483

Fax 317 488-6477

E-mail: larry\_glascock@aic.com

December 7, 2000

Anthem 

Mr. William L. Jews  
President & Chief Executive Officer  
CareFirst  
10455 Mill Run Circle  
Owings Mills, MD 21117-4208

Dear Bill:

Ben and I appreciated the opportunity to meet with you and David last week. We continue to be impressed by how you have grown and strengthened CareFirst over the last few years.

I am glad we had a chance to talk about the strategic options you are exploring. As Ben and I expressed, we are very interested in exploring the possibility of our companies affiliating.

For several reasons we believe that Anthem would make an excellent partner for CareFirst:

- Anthem has an unparalleled track record of successful mergers within the Blue Cross Blue Shield system - Anthem is the result of six mergers with other Blue plans. We believe our success can be traced to the belief we have that health care is a local business. Therefore, our energies have been focused on achieving the benefits of local presence and national scale.
- Anthem, as a growing organization, is actively searching for talented management and would be able to provide great career opportunities to CareFirst's top officers and representation by CareFirst's board members.
- CareFirst would anchor a new mid-Atlantic region and help drive Anthem's further expansion in the region.
- Since the merger would entail funding charitable organizations in the states in which CareFirst operates, Anthem is fully capable of doing so, since Anthem is extremely well capitalized and has ready access to significant sources of additional financing.

OCC 009107




an equal opportunity employer of the Blue Cross and Blue Shield Companies  
Anthem Blue Cross and Blue Shield of the State of Indiana is an Equal Opportunity Employer. We  
Encourage Minorities, Women, and Handicapped Individuals

Mr. William L. Jews  
Page 2 - December 7, 2000

For these reasons, Bill, should you decide that a merger is the strategic option you will pursue, we believe Anthem would be a great partner for CareFirst and its management team. We look forward to being included in your process and talking with you again soon.

Best regards,

  
Larry C. Glasscock

LCG:ism

cc: L. Ben Lytle

OCC 009108